

COUNTY COUNCIL  
OF  
HARFORD COUNTY, MARYLAND

BILL NO. 02-11

Introduced by Council President Hirsch at the request of the County Executive

Legislative Day No. 02-7 Date March 5, 2002

AN ACT made to authorize the execution and delivery by the County Executive on behalf of Harford County, Maryland of certain agreements, including an Amendment and Restatement of the existing Waste Supply Contract between Harford County, Maryland and the Northeast Maryland Waste Disposal Authority, in connection with the proposed issuance by the Northeast Maryland Waste Disposal Authority of certain bonds to be issued to finance the costs of the Authority's acquisition of the resource recovery facility located at a site leased by the Northeast Maryland Waste Disposal Authority on the Aberdeen Proving Ground Military Reservation, Harford County, Maryland; approving such acquisition; making certain findings in connection with such acquisition; and generally providing for and determining various matters in connection with the participation by Harford County, Maryland in such issuance of bonds and in such acquisition.

By the Council, March 5, 2002

Introduced, read first time, ordered posted and public hearing scheduled

on: April 2, 2002

at: 7:15 p.m.

By Order: James E. Massey, Jr., Council Administrator

**PUBLIC HEARING**

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on April 2, 2002, and concluded on, April 2, 2002.

James E. Massey, Jr., Council Administrator

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

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1 WHEREAS, Northeast Maryland Waste Disposal Authority (the "Authority") was created by  
2 and exists under Chapter 871 of the Laws of Maryland of 1980, as amended, in order to assist certain  
3 participating political subdivisions of the State of Maryland, other public entities and the private  
4 sector of the economy to provide adequate solid waste disposal facilities;

5 WHEREAS, the Authority and Harford County, Maryland (the "County") determined that  
6 there was a need for a resource recovery facility (the "Facility") in Harford County designed to  
7 process not less than 81,045 tons per year of solid waste;

8 WHEREAS, pursuant to Bill No. 85-50 enacted by the County Council of Harford County,  
9 Maryland (the "County Council") on October 24, 1985 and effective on December 24, 1985 (the  
10 "1985 Act"), the County entered into a long-term, solid waste disposal agreement (the "Original  
11 Waste Supply Contract") with the Authority, dated as of April 15, 1986, pursuant to which the  
12 County has the right to deliver solid waste to the Facility;

13 WHEREAS, the Authority issued its \$26,700,000 Adjustable/Fixed Rate Resource Recovery  
14 Revenue Bonds (Harford County Resource Recovery Facility) Series 1985 (the "Series 1985 Bonds")  
15 to finance a portion of the costs of the Facility;

16 WHEREAS, the Facility was placed in service in 1987 and has operated continuously to  
17 produce steam for sale to the U.S. Army and to dispose of solid waste generated in the County;

18 WHEREAS, the Authority issued its \$22,440,000 Adjustable/Fixed Rate Resource Recovery  
19 Refunding Revenue Bonds (Harford County Resource Recovery Facility) Series 1994 (the "Series  
20 1994 Bonds") to refinance the Series 1985 Bonds;

21 WHEREAS, pursuant to Bill No. 93-41 enacted by the County Council on June 15, 1993 and  
22 effective on June 24, 1993 (the "1994 Act"), the County Council approved the County Executive's  
23 execution and delivery of (a) an amendment to the Original Waste Supply Contract, to include

1 payments under the interest rate swap agreement for the Series 1994 Bonds, and (b) an agreement  
2 between the County and the interest rate swap provider for the Series 1994 Bonds under which the  
3 County agreed to make a termination payment under certain circumstances;

4 WHEREAS, in 2001, the private owners of the Facility have determined to sell the Facility;

5 WHEREAS, an independent engineer has inspected and evaluated the condition of the  
6 Facility on behalf of the Authority;

7 WHEREAS, the Authority, after consultation with the County, is entering into a contract to  
8 provide for the Authority's acquisition of the Facility for approximately \$10.5 million (the  
9 "Acquisition");

10 WHEREAS, the Authority is willing to issue the Authority's bonds to finance the cost of the  
11 Acquisition (the "Acquisition Bonds");

12 WHEREAS, as part of the Acquisition, the Authority and the County desire to amend the  
13 Original Waste Supply Contract to provide for the continued operation of the Facility to serve the  
14 waste disposal needs of the County (the amendments being effected through an Amendment and  
15 Restatement of the Waste Supply Agreement (the "Amended Waste Supply Contract"));

16 WHEREAS, upon the consummation of the Acquisition, the Authority will enter into an  
17 operating agreement with an independent operator to provide for the operation of the Facility;

18 WHEREAS, the Authority has notified the County of its proposed Acquisition; and

19 WHEREAS, the County Council desires to ratify and confirm the 1985 Act, the 1994 Act and  
20 all actions undertaken and all documents executed on behalf of the County in connection with the  
21 issuance and payment of the Series 1994 Bonds.

22 NOW, THEREFORE,

23 Section 1. Be It Enacted By The County Council that it is hereby found and determined that it is

1 in the public interest of the County (and in the best interest of the residents of the County) that (a) the  
2 Authority undertake the Acquisition and that the disposal of waste at the Facility be conducted in the  
3 manner described in the Amended Waste Supply Contract, (b) the Authority proceed with the  
4 issuance of the Acquisition Bonds and take all actions which the Authority deems to be necessary or  
5 appropriate for the issuance and sale of the Acquisition Bonds and for the execution and delivery of  
6 the documentation related thereto, and (c) the County take such action as is necessary or appropriate  
7 in connection with the Acquisition and the issuance and sale of the Acquisition Bonds.

8 Section 2. And Be It Further Enacted By The County Council that the terms, provisions, form,  
9 content and substance of the Amended Waste Supply Contract are hereby approved. A copy of the  
10 form of Amended Waste Supply Contract has been presented to the County Council and shall be  
11 placed in the official records of the County and be made available for public inspection at the office  
12 of the Director of Administration and the office of the Administrator of the County Council. The  
13 County Executive is, and he and such other County officials as he may require are, hereby authorized  
14 to execute, acknowledge, seal and deliver on behalf of the County, the Amended Waste Supply  
15 Contract, which is to be so executed and delivered to be substantially in the form hereby approved:  
16 (i) with changes in form or changes in content that do not materially adversely affect the interests of  
17 the County and are approved by the County Executive, his execution thereof to constitute conclusive  
18 evidence of his approval of any and all changes or revisions therein from the form of the Amended  
19 Waste Supply Contract hereby approved; or (ii) with such other changes as may be approved by  
20 resolution of the County Council. Any resolution adopted pursuant to this Act shall be effective  
21 upon approval by the County Executive.

22 Section 3. And Be It Further Enacted By The County Council that the County Executive is, and  
23 he and such other County officials as he may require are, hereby authorized to execute, acknowledge,

1 seal and deliver on behalf of the County such other contracts, agreements, certificates and  
2 documentation as the County Executive shall determine to be necessary or desirable to effect the  
3 Authority's Acquisition, the issuance of the Acquisition Bonds and to implement the terms of the  
4 Amended Waste Supply Contract, including, without limitation: (a) the release and termination by  
5 the County of: (i) the contracts relating to the Facility to which the County and the current owner or  
6 operator of the Facility are parties; and (ii) the Service Agreement, dated as of April 15, 1986, as  
7 amended, between the Authority and other parties thereto, including the current Facility owner; (b)  
8 all documentation contemplated in the Amended Waste Supply Contract; (c) an agreement between  
9 the County and any swap provider for the Acquisition Bonds to make a termination or other payment  
10 to the swap provider under certain circumstances (which agreement may be similar to those  
11 authorized by the County Council in the 1994 Act); (d) arrangements for the County's collection  
12 and/or billing of steam revenues or other revenues or expenses of the Facility; (e) documentation as  
13 the County Executive shall determine to be necessary or desirable to effect the Authority's  
14 Acquisition and the Authority's issuance of the Acquisition Bonds; and (f) such other documentation  
15 as necessary related to the foregoing which is approved by resolution of the County Council. Any  
16 resolution adopted pursuant to this Act shall be effective upon approval by the County Executive.

17 Section 4. And Be It Further Enacted By The County Council that the 1985 Act and the 1994  
18 Act are hereby ratified and approved and that the execution and delivery of all documents on behalf  
19 of the County in connection with the issuance and payment of the Series 1994 Bonds are hereby  
20 ratified and approved, including, without limitation, the Swap Inducement Agreement between the  
21 County and AIG Financial Products Corp., dated as of April 1, 1994.

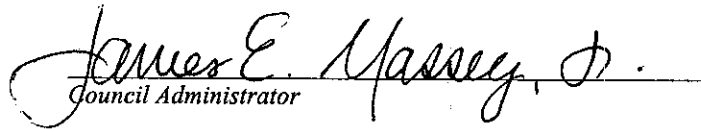
22 Section 5. And Be It Further Enacted By The County Council that the provisions of this Act are  
23 severable, and if any provision, sentence, clause, section or part hereof is held illegal, invalid or

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1 unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or  
2 unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions,  
3 sentences, clauses, sections or parts of this Act or their application to other persons or circumstances.  
4 It is hereby declared to be the legislative intent that this Act would have been passed if such illegal,  
5 invalid or unconstitutional provision, sentence, clause, section or part had not been included herein,  
6 as if the person or circumstances to which this Act or any part hereof are inapplicable had been  
7 specifically exempted therefrom.

EFFECTIVE: June 10, 2002

*The Council Administrator does hereby certify that  
fifteen (15) copies of this Bill are immediately available for  
distribution to the public and the press.*

  
Council Administrator

**BILL NO. 02-11**

HARFORD COUNTY BILL NO. 02-11

Brief Title) Northeast Maryland Amended Waste Supply Contract

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

**CERTIFIED TRUE AND CORRECT**

James E. Massey, Jr.  
Administrator

Date 4-9-02

**ENROLLED**

[Signature]  
President

Date 4/9/02

**BY THE COUNCIL**

Read the third time.

02-11 (April 9, 2002)

Passed: LSD \_\_\_\_\_

Failed of Passage: \_\_\_\_\_

By Order

James E. Massey, Jr.  
Council Administrator

Sealed with the County Seal and presented to the County Executive for approval this 11<sup>th</sup> day of April 2002, at 4:00 p.m.



James E. Massey, Jr.  
Council Administrator

**BY THE EXECUTIVE**

[Signature]  
COUNTY EXECUTIVE  
APPROVED: Date 4-11-02

**BY THE COUNCIL**

This Bill No. 02-11, having been approved by the Executive and returned to the Council, becomes law on April 11, 2002.

James E. Massey, Jr., Administrator

EFFECTIVE DATE: June 10, 2002

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